

The Director of Central Intelligence

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TOP SECRET

COPY NO. 11

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

as of

May 28, 1951

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NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

1. COMPLETED PROJECTS
(May 21, 1951-May 28, 1951)

THE SITUATION IN THE FAR EAST
(NSC Action No. 477)

NSC 109 THE POSITION OF THE UNITED STATES WITH RESPECT TO TURKEY
(NSC Action No. 480)

NSC 103/1 THE POSITION OF THE UNITED STATES WITH RESPECT TO GREECE
(NSC Action No. 480-b)

NSC 67/3 PROGRESS REPORT, DATED APRIL 30, 1951, BY THE SECRETARY
OF STATE ON THE POSITION OF THE UNITED STATES WITH
RESPECT TO COMMUNISM IN ITALY
(NSC Action 481)

NSC 19/5 PROGRESS REPORT, DATED APRIL 30, 1951, BY THE UNDER
SECRETARY OF STATE ON U. S. POSITION ON THE DISPOSITION
OF THE FORMER ITALIAN COLONIES
(NSC Action No. 482)

NSC 98/1 PROGRESS REPORT, DATED MAY 10, 1951, BY THE DEPARTMENT
OF STATE ON THE POSITION OF THE UNITED STATES WITH
RESPECT TO SOUTH ASIA
(NSC Action No. 483)

NSC 65/3 PROGRESS REPORT, DATED MAY 14, 1951, BY THE UNDER
SECRETARY OF STATE ON UNITED STATES POLICY TOWARD
ARMS SHIPMENTS TO THE NEAR EAST
(NSC Action No. 484)

2. PROJECTS UNDER CONSIDERATION BY THE NSC

A. NSC MEETING. In the absence of any items requiring Council consideration this week, the regular meeting scheduled for Wednesday, May 30, has been cancelled.

B. ITEMS AWAITING SUBSEQUENT NSC CONSIDERATION

UNITED STATES OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY
(Memo for NSC from Executive Secretary, same subject, dated April 26, 1951)

Recommendation by the Joint Chiefs of Staff, in which the Secretary of Defense has concurred subject to his stated condition, submitted for Council consideration by the reference memo of April 26, 1951. The recommendation was discussed by the Senior NSC Staff on May 8 in connection with its discussion, together with representatives of the Bureau of the budget and budget officers from the Department of Defense, of the effect upon U. S. objectives, capabilities and commitments of the military budget for FY 1952. To be scheduled on the agenda of an early Council meeting.

UNITED STATES POLICY TOWARD THE SOVIET SATELLITE STATES IN EASTERN EUROPE

(Progress Report, dated May 22, 1951, by the Under Secretary of State)

The reference progress report by the Under Secretary of State on the subject was circulated for Council information and will be scheduled on the agenda of an early Council meeting.

3. CURRENT NSC STAFF PROJECTS

A. SENIOR NSC STAFF

CONGRESSIONAL PUBLICATION OF INFORMATION OF ADVANTAGE TO FOREIGN GOVERNMENTS

(Memo for NSC from Executive Secretary, same subject, dated May 16, 1951; NSC Action No. 478)

Memorandum on the subject by the NSC Representative on Internal Security, transmitted by the reference memo, was discussed at the 92nd NSC Meeting. The Council directed the Senior NSC Staff, by the reference action, with the assistance of the Inter-departmental Committee on Internal Security, to prepare recommendations on the subject for Council consideration in the light of the discussion. Scheduled on the agenda of the Senior Staff meeting, May 29. Mr. Murphy, of the White House Staff, the NSC Representative on Internal Security and Mr. Whearty, of the Department of Justice, are being invited to attend this meeting.

THE POSITION OF THE UNITED STATES WITH RESPECT TO IRAN

/PRIORITY PROJECT/

(NSC 107; NSC Action No. 454; Memo for NSC from Executive Secretary, same subject, dated March 26, 1951; Progress Report by the Under Secretary of State on NSC 107, dated May 2, 1951; CIA preliminary report on "Current Developments in Iran", dated May 2, 1951; NIE-6)

In adopting the reference report at its 87th meeting, the Council directed the NSC Staff to review the statement of policy in NSC 107, if the President approved it, whenever the situation in Iran has clarified sufficiently to warrant such review, and in any event not later than July 1, 1951. Accordingly, in the light of the current situation and the reference progress and CIA reports, the Senior Staff, on May 3, agreed that the State, Defense and CIA members of the Senior Staff, consulting with other departments and agencies as desirable, should explore the need for a revision of NSC 107 in the light of the current situation and report their findings to the Senior NSC Staff. Draft revision of NSC 107 under preparation by State, Defense and CIA representatives as a matter of urgency. Awaiting report by State, Defense and CIA representatives.

CURRENT NSC STAFF PROJECTS (Cont'd)

THE EASTERN MEDITERRANEAN AND MIDDLE EAST /PRIORITY PROJECT/
(Memo for Senior NSC Staff from Executive Secretary, same subject, dated December 12, 1950; NIE-14 and 26)

Memorandum by the Senior State Member on the subject transmitted by the reference memo and considered by the Senior Staff on December 29, when it was agreed that an initial draft report should be prepared by State and that CIA should furnish an intelligence estimate of local attitudes and conditions which affect protection of our interests and the realization of our objectives. On February 23 the Senior NSC Staff agreed that this project should be completed as a matter of priority. CIA estimate circulated as NIE-26. Awaiting initial draft report from State. (See also related area projects in this section.)

CONDITIONS FOR A PEACEFUL SETTLEMENT WITH THE USSR /PRIORITY PROJECT/

(Records of Senior NSC Staff Meeting, February 23 and May 24; NSC 79; Memo for NSC from Executive Secretary, subject: "United States and Allied Objectives in the Event of Global War", dated September 6, 1950)

On February 23 the Senior NSC Staff agreed that the NSC 79 project on United States and allied war objectives should be completed in two sections and that the section on the above subject, including a plan for reduction and regulation of armaments and armed forces, should be completed as a matter of priority. On May 24 the Senior Staff agreed that the completion of this project would provide an important background for obtaining popular support for U. S. national security policies. Awaiting report by the State, Defense and JCS members. (See also NSC 79 and "Review of the Current World Situation..." projects below, and related "Joint Review" in Section 4.)

UNITED STATES AND ALLIED WAR OBJECTIVES IN THE EVENT OF GLOBAL WAR
(NSC 79; Memo for NSC from Executive Secretary, same subject, dated September 6, 1950)

JCS memo (NSC 79) circulated for Council information and referred to the Staff for use in the preparation of a report. The Senior Staff designated an ad hoc group to draft a report to include both a statement of war objectives in the event of global war, and such related questions as a statement of the conditions that the U.S. would be willing to accept for a peaceful settlement with the USSR

CURRENT NSC STAFF PROJECTS (Cont'd)

UNITED STATES AND ALLIED WAR OBJECTIVES IN THE EVENT OF GLOBAL WAR (Cont'd)

and its satellites. At the initial meeting of the ad hoc group under the chairmanship of the State member on October 6, the form and content of a response to the problems posed by NSC 79 were discussed and agreed upon.

On February 23 the Senior Staff agreed that this project should be divided as follows: (1) a statement of U.S. and allied war objectives in the event of a global war; and (2) a statement of the conditions the U.S. would be willing to accept for a peaceful settlement with the USSR, including a plan for the reduction and regulation of armaments and armed forces. Awaiting initial draft by the State Policy Planning Staff of the project listed under (1) above. (See also related project above and "Joint Review" in Section 4.)

PROPOSED NSC STUDY OF USE OF CIVILIAN MANPOWER OF NON-SOVIET NATIONS FOR PRODUCTION OF GOODS AND SERVICES

(Memo for Senior NSC Staff from Executive Secretary, subject: "Proposed NSC Study of Use of Foreign Manpower for Production", dated March 29, 1951; Memo for Senior NSC Staff from Executive Secretary, same subject, dated April 16, 1951)

Memos by the Acting Senior NSRB Member and by the Senior ODM Member, transmitted by the reference memos of March 29 and April 16, respectively, were considered by the Senior Staff on April 17. It was agreed that ODM should undertake the preparation of a report on the subject for consideration by the NSC Staff, along the lines proposed by ODM in the report attached to the reference memo of April 19. The Staff further agreed to the inclusion of NSRB and Mr. Harriman's Office among the agencies to be consulted by ODM. Awaiting report from Senior ODM Member. (See related project in Section 3-B.)

UNITED STATES OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY (NSC 68 Series; Annex No. 8, Long-term Political and Economic Framework)

Awaiting revision of Annex No. 8 by State. (See also related projects above and in Section 4.)

CURRENT NSC STAFF PROJECTS (Cont'd)

JAPANESE PEACE TREATY
(NSC 60/1)

On September 15 the Senior Staff agreed that this subject should be a continuing project and that accordingly the Senior State Member should keep the Senior Staff informed on any security policy issues which may arise, with a view to further consideration of the subject.

THE EFFECT UPON UNITED STATES OBJECTIVES, CAPABILITIES, AND COMMITMENTS OF THE MILITARY BUDGET FOR FY 1952
(NSC 68 Series; NSC Action No. 393)

The subject was discussed on May 8 in the light of an oral presentation by Mr. Garlock of the Department of Defense, and as relative to current NSC projects.

Subsequently, on May 10, the problems involved in meeting production schedules for military materiel were discussed in the light of informal comments by Mr. Fisher of the Office of Defense Mobilization. It was agreed that Mr. Fisher should be invited to discuss the subject at greater length at such time as the relevant data become available for presentation to the Senior Staff.

It was also agreed that the Executive Secretary should arrange at an early date for a similar presentation with respect to the status of the MDAP programs. (See also related "Joint Review" project in Section 4.)

THE POSITION OF THE UNITED STATES WITH RESPECT TO INDOCHINA
(NSC 64/1; Memo for Senior NSC Staff from Executive Secretary, same subject, dated January 4, 1951)

At the request of the Secretary of Defense the views of the JCS on the subject (NSC 64/1) were circulated for Council information and referred to the NSC Staff for use in the preparation of a report for Council consideration. On December 27, the Senior Staff directed the Staff Assistants to prepare, as a matter of urgency, a draft report on the immediate steps the United States should take to meet the critical situation in Indochina. Draft report by Staff Assistants submitted to Senior Staff by the reference memo. On January 8, the Senior Staff discussed the subject in the light of the importance of Indochina to the security of Southeast Asia and the security of the United States. To be considered further at a later Senior Staff meeting.

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CURRENT NSC STAFF PROJECTS (Cont.)PROPOSED TRANSFER OF THE POINT IV PROGRAM FROM THE DEPARTMENT OF STATE TO THE ECONOMIC COOPERATION ADMINISTRATION
(NSC 110)

Memorandum on the subject from the Bureau of the Budget (NSC 110) was referred by the President to the NSC with the request that the Senior NSC Staff prepare a recommendation on the subject for Council consideration as advice to the President. At the direction of the President, the Secretaries of the Interior, Agriculture and Commerce, the Federal Security Administrator and the Economic Cooperation Administrator will participate in this Council project and have been requested to designate representatives to join with the Senior NSC Staff for this purpose. The President also expressed the desire that the views of the Rockefeller Committee be obtained in connection with the preparation of the above report. The Department of State and the Economic Cooperation Administration have been requested to submit brief factual statements on the Point IV Program and the ECA technical assistance program, respectively for Senior Staff information in this connection. Awaiting designations of representatives and statements referred to above.

REVIEW OF THE CURRENT WORLD SITUATION AND ABILITY OF THE FORCE BEING MAINTAINED TO MEET UNITED STATES COMMITMENTS

(Memo for NSC from Executive Secretary, same subject, dated April 26, 1951; Record of Senior NSC Staff meeting on May 24, 1951, Item 1)

At the request of the Secretary of Defense, two memoranda by the JCS with enclosures on the subject were circulated by the reference memo to the Council for information, and, pending scheduling of this item on the agenda of an early Council meeting, were referred to the Senior NSC Staff for the preparation of appropriate recommendations for Council action with respect thereto. After preliminary discussion by the Senior Staff on May 8, the subject was postponed until a subsequent meeting. (See also related "Joint Review" project in Section 4.)

On May 24 the Senior Staff considered the enclosures to the reference memorandum, with special reference to current NSC Staff projects, and agreed that the Executive Secretary should prepare draft recommendations as to appropriate Council action, for consideration by the Senior Staff, to include provision for:

1. Revision of the President's directive in NSC 68/4:

CURRENT NSC STAFF PROJECTS (Cont'd)

REVIEW OF THE CURRENT WORLD SITUATION AND ABILITY OF THE FORCE BEING MAINTAINED TO MEET UNITED STATES COMMITMENTS (Cont'd)

- a. To continue the responsibility of the Secretary of State and the Secretary of Defense for a joint review of the politico-military strategy of this Government.
 - b. To direct the NSC Staff, with assistance of appropriate departments and agencies, to prepare, first, a report of progress in implementing the policies and programs in NSC 68/4 and, second, recommendations regarding appropriate revision of these policies and programs.
2. Reference of the recommendations in the enclosures to the draft memorandum calling for a more strenuous psychological offensive against the USSR to the Psychological Strategy Board for appropriate action.
 3. The establishment of an interdepartmental group heading up to the White House which will coordinate efforts to obtain popular understanding of and support for approved NSC policy recommendations.

It was also agreed that, if the recommendation in 1-b above is approved, the Senior State, Defense and ODM members should be charged with preparing drafts of the required reports for Senior Staff consideration; and that the completion of the report on "Conditions for a Peaceful Settlement with the USSR" would provide an important background for obtaining popular support for U.S. national security policies.

(See also "Joint Review" project in Section 4 and project on "Conditions for a Peaceful Settlement with the USSR", above.)

CURRENT NSC STAFF PROJECTS (Cont'd)

B. NSC STAFF ASSISTANTS

POSITION OF THE UNITED STATES WITH RESPECT TO SCANDINAVIA

(Progress Report, dated November 14, 1950, on NSC 28/1 and NSC 32/1; NSC 88; Memo for Senior NSC Staff from Executive Secretary, subject: "U.S. Courses of Action in the Event the Soviets Attempt to Close the Baltic", dated March 26, 1951; Record of Senior Staff Meeting on April 3, par. 3)

On December 13 the Senior NSC Staff directed the Staff Assistants to prepare a draft revision of NSC 28/1 for consideration by the Senior Staff.

On October 17, 1950, NSC 88, "U.S. Courses of Action in the Event the Soviets Attempt to Close the Baltic", was circulated for Council information and referred to the NSC Staff for preparation of a report for Council consideration. In view of recommendations made by the Staff Assistants in the reference memo of March 26, the Senior Staff agreed on April 3 that a statement of policy and a staff study on the subject of NSC 88 should be incorporated in the draft report on "The Position of the United States with Respect to Scandinavia", and that completion of this project should be expedited. Awaiting initial draft report by State.

UNITED STATES POLICY WITH RESPECT TO BERLIN AND EASTERN GERMANY

(NSC 89; NSC 73/4, par. 42; Memos for NSC from Executive Secretary, subject: "Additional Airlift to Support the Far East", dated September 27 and November 20, 1950; NSC Action No. 368; Memo for Senior NSC Staff from Executive Secretary, same subject, dated October 31, 1950; Memo for Senior NSC Staff from Executive Secretary, subject: "Courses of Action in the Event East Germany Imposes a Blockade in Berlin", dated February 16, 1951; Memo for Senior NSC Staff from Executive Secretary, subject: "United States Policy with Regard to a Possible New Berlin Blockade", dated March 27, 1951; NIE-4)

At its 69th Meeting, the Council noted the reference memo of September 27, and the fact that the situation presented therein would be taken into consideration in the studies on the Berlin blockade referred to in par. 42 of NSC 73/4. Memoranda on the subject by the Deputy Under Secretary of State and the Secretary of Defense were circulated for Council information as NSC 89, and referred to the NSC Staff for use in connection with this staff project. JCS study on airlift capabilities circulated to Senior Staff by the reference memo of October 31. Subsequent memo by the Deputy Secretary of Defense (reference memo of November 20) circulated for Council information and referred to the Staff for consideration in connection with this project. Views of the JCS on "Courses of Action in the Event East Germany Imposes a Blockade in Berlin" circulated by the reference memo of February 16 to the Senior Staff for consideration

CURRENT NSC STAFF PROJECTS (Cont'd)

UNITED STATES POLICY WITH RESPECT TO BERLIN AND EASTERN GERMANY
(Cont'd)

in connection with this project upon the recommendation of the Secretary of Defense. NIE-4, issued by CIA, relates to the above subject.

On February 23 the Senior Staff noted that the JCS views would be taken into account in the early completion of a draft report on "U.S. Policy with Respect to Berlin and Eastern Germany" now under preparation in the Department of State in collaboration with the Department of Defense. Report by State circulated by reference memo dated March 27, considered by the Senior Staff on April 3 and referred to the Staff Assistants for revision in the light of the discussion. Awaiting initial draft by ad hoc group of Staff Assistants.

THE SAFETY OF THE AMERICAN CIVILIAN POPULATION IN GERMANY AND JAPAN
IN THE EVENT OF HOSTILITIES
(NSC 106)

Letter by the Secretary of Defense to the President on the subject, and the President's reply, referred by the President to the Council, circulated as NSC 106 for Council information, and referred to the Senior Staff for preparation of recommendations on the subject for consideration by the Council, the Secretary of the Treasury, the Director of Defense Mobilization, and the Economic Cooperation Administrator at an early Council meeting.

On March 15 the Senior Staff discussed the reference report and referred it to the Staff Assistants for use in the preparation of a draft report for consideration by the Senior Staff. Initial draft in preparation by ad hoc group of Staff Assistants with the advice and assistance of a special group from the Defense Department. Awaiting initial draft from ad hoc group of Staff Assistants.

UTILIZATION OF MANPOWER OF OTHER NATIONS FOR MILITARY PURPOSES
(NSC 108 and memo for all holders of NSC 108, dated April 24, 1951; Memo for NSC from Executive Secretary, same subject, dated May 8, 1951; NSC Action No. 472)

At the suggestion of the Senior State Member, the Senior NSC Staff on December 12 agreed to designate an ad hoc group under the chairmanship of a JCS official and with officials from State, NSRB, Mr. Harriman's Office, and CIA, to prepare a draft report on the subject.

The report by the ad hoc committee was considered and amended by the NSC Staff for submission to the NSC as NSC 108. JCS views circulated by the reference memo. At its 91st Meeting the NSC referred NSC 108 to the NSC Staff for reconsideration. On May 17 the Senior

CURRENT NSC STAFF PROJECTS (Cont'd)

UTILIZATION OF MANPOWER OF OTHER NATIONS FOR MILITARY PURPOSES
(Cont'd)

Staff referred NSC 108 to the Staff Assistants for revision in the light of the discussion. To be scheduled for discussion at an early meeting of the NSC Staff Assistants. (See related civilian manpower project in Section 3-A)

CURRENT NSC STAFF PROJECTS (Cont'd)

C. OTHER CURRENT NSC STAFF PROJECTS

NSC DETERMINATIONS UNDER SECTION 1302, THIRD SUPPLEMENTAL APPROPRIATIONS BILL, 1951

(Memo for Special Committee, same subject, dated May 28, 1951, with copies for Senior NSC Staff; Record of Senior NSC Staff meeting on May 22, 1951, Item 2; NSC Action No. 479)

On May 25, 1951, the Special Committee on East-West Trade discussed and agreed upon procedures for staff work on the subject, in the event the President signs the Third Supplemental Appropriations Bill, 1951, or permits it to become law (reference memo of May 28). The procedure, as follows, was based upon the discussion at the Senior Staff meeting on May 22, and the discussion at the Council meeting on May 23, 1951:

1. The initial Council determinations under Section 1302 should consist of reports on four or five selected countries or groups of countries, as thoroughly documented as time will permit, and a general exception for all others.
2. The reports will be unclassified to the greatest extent possible with due consideration to the requirements of security.
3. A drafting group, composed of the State, Defense, Commerce and ECA members of the Special Committee, should prepare the above reports, with discretion as to the selection of the countries and as to the form and content of the reports.
4. The initial reports should be submitted by the drafting group for joint consideration by the Senior NSC Staff and the Special Committee, with the view to Council action thereon no later than its regularly scheduled meeting on June 13, 1951. It was also understood that an attempt will be made to have 1 or 2 reports ready for Council action on June 6, 1951.

The Special Committee also agreed that the Export-Import Bank should be invited to have representation on the Special Committee for the staff work in connection with Section 1302.

Awaiting initial draft reports from the drafting group. (See also the following project.)

NSC DETERMINATIONS ON EAST-WEST TRADE

(Memos for Special Committee on East-West Trade from Assistant Executive Secretary, same subject, dated January 15, 21, February 8, 9, 12, 13, April 18, 20, 27, two memos dated April 30, memos dated May 2, 7, 9, 11, 15, two memos dated May 21; Memo for Special Committee from Assistant Executive Secretary, subject, "Agenda for Next Special Committee Meeting", dated January 22, 1951; Memos for NSC from Executive Secretary, same subject, dated February 8 and 23, and May 16, 1951; Agenda, dated May 18, 1951, for Special Committee Meeting on May 22, 1951; NSC Action No. 479.)

NSC STATUS OF PROJECTS

CURRENT NSC STAFF PROJECTS (Cont'd)

NSC DETERMINATIONS ON EAST-WEST TRADE (Cont'd)

Pending action by the President and the Council with respect to Section 1302 of the Third Supplemental Appropriations Bill, 1951, (see preceding project), the Special Committee on East-West Trade has temporarily deferred the preparation of further reports with respect to the Cannon Amendment. A summary of reports completed or pending follows, in which the dates referred to are for memoranda for the Special Committee, unless otherwise specified.

A. COUNTRIES FOR WHICH PRELIMINARY
TRADE STUDIES HAVE BEEN COMPLETED

1. Latin America, the Near East and Africa (January 15, 1951)
2. The Far East
 - a. Formosa, the Philippines, Burma and Thailand (January 25, 1951)
 - b. South Korea, Malaya, Pakistan, India, Ceylon and Afghanistan (February 8, 1951)
Tables for Ceylon (February 13, 1951)
 - c. ECA "Far East Data Book" (dated January, 1951, circulated by memorandum of February 9, 1951)
 - d. Hong Kong (April 20, 1951)
 - e. Japan and Indochina (April 20, 1951)
 - f. Indonesia (May 2, 1951)
3. Europe
 - a. Austria, Belgium-Luxembourg, Denmark, Finland, France, Germany, Iceland, Italy, the Netherlands, Norway, Portugal, Sweden and Switzerland (February 12, 1951)
 - b. Ireland (April 20, 1951)
 - c. The United Kingdom (April 27, 1951)
4. Others
 - a. Canada (April 11, 1951)
 - b. Australia (May 21, 1951)
 - c. Poland and Czechoslovakia (April 20, 1951)

B. COUNTRIES FOR WHICH DRAFT
DETERMINATIONS HAVE BEEN PREPARED

1. Latin America, Africa and the Near East
 - a. Determination approved by the Council on February 21, 1951 (Memos for NSC dated February 8 and 23, 1951)

CURRENT NSC STAFF PROJECTS (Cont'd)

NSC DETERMINATIONS ON EAST-WEST TRADE (Cont'd)

- b. Scrutiny of Buenos Aires and Angola as transshipment points, and the shipments of hennequen from Mexico, of non-ferrous metals from Turkey and of cotton from Egypt. (Memo dated April 30, with amendment thereto in attachment to agenda dated May 18, 1951. Awaiting Special Committee consideration.)

2. The Far East

- a. Afghanistan, Burma, Ceylon, Formosa, India, Indochina, Indonesia, Malaya and Singapore, Pakistan, the Philippines, South Korea and Thailand. (Memo dated April 30, 1951, under revision by drafting group. Awaiting revision by drafting group.)
- b. Japan (Memo dated May 15, 1951. Awaiting Special Committee consideration.)

3. Europe

- a. Sweden and Switzerland. (Memo for NSC dated May 16, 1951, withdrawn from the NSC Agenda on May 23, 1951, in the light of the Kem Amendment. NSC Action No. 479.)
- b. Western Germany and Austria. (Memo dated May 9, and amendment thereto proposed by JCS representative, attached to Agenda dated May 18, 1951. Awaiting Special Committee consideration.)
- c. France, the Belgium-Luxembourg Economic Union and the Netherlands. (Memo dated May 21, 1951. Awaiting Special Committee consideration.)

PROVISION FOR STATE INTERNAL SECURITY FORCES

(NSC 96/1 and NSC 96; NSC Action No. 409; memo for members of staff group from Executive Secretary, subject: "Provision for State Guard Forces," dated May 7, 1951)

At the request of the Secretary of Defense, NSC 96 was submitted for Council consideration. At its 77th Meeting, by the reference action, the Council agreed to request the Chairman, NSRB, to develop, in consultation with other interested agencies, a plan for the provision of essential Federal guidance and assistance to the States in organizing reserves to perform State and local security functions when the National Guard is ordered into active military service, this plan to include any necessary Federal legislation.

Report by the Chairman, NSRB, circulated for Council information as NSC 96/1 and referred to the NSC Staff for use in the preparation of a report for Council consideration. On April 12 the Senior Staff discussed NSC 96/1 and referred it to the Defense, JCS, and NSRB

CURRENT NSC STAFF PROJECTS (Cont'd)

PROVISION FOR STATE INTERNAL SECURITY FORCES (Cont'd)

Staff members together with officials from the Department of Justice, the Bureau of the Budget, and the Federal Civil Defense Administration, for use in the preparation of a report for Senior Staff consideration.

Draft outline, prepared by the Executive Secretary, transmitted to the above staff group by the reference memorandum, and discussed at a meeting on May 14. With some modifications, the outline was adopted as a working guide and the proposed assignments were accepted. Civil Defense drafts received on May 16. Awaiting other drafts as assigned.

RELEASE OF INFORMATION REGARDING NEW WEAPONS

(Memo for NSC Consultants and AEC Representative, from Executive Secretary, same subject, dated July 5, 1950)

At the direction of the President, the Council and the Chairman of the Atomic Energy Commission undertook a consideration of the general problem of weapons information, including atomic weapons, in order to make appropriate recommendations to the President on the subject. A draft report, prepared by the Executive Secretary in accordance with the discussion at a meeting on June 22, 1950, has been circulated to the NSC Staff and a representative of the AEC by the reference memo. Awaiting redraft of this report by Defense.

4. OTHER CURRENT COUNCIL PROJECTS

JOINT REVIEW OF POLITICO-MILITARY STRATEGY

(NSC Actions Nos. 393-b and 424; NSC 68/4; NSC 100; Memo for NSC from Executive Secretary, subject: "Recommended Policies and Actions in Light of the Grave World Situation", dated January 16, 1951)

The President directed (NSC Action No. 393-b) the Secretaries of State and Defense to undertake a joint review of the politico-military strategy of this Government with a view to increasing and speeding up the programs outlined in NSC 68/4 in the light of the present critical situation, and to submit to the President as soon as possible appropriate recommendations through the NSC.

At its 81st Meeting the Council discussed a report by the Chairman, NSRB, on "Recommended Policies and Actions in Light of the Grave World Situation" (NSC 100) and noted the reference by the President of NSC 100 to the Secretaries of State and Defense for consideration in connection with the joint review of the politico-military strategy of this Government.

Awaiting joint report by the Secretaries of State and Defense.
(See also related projects in Section 3-A.)

APPRAISAL OF FOREIGN ECONOMIC INTELLIGENCE REQUIREMENTS, FACILITIES AND ARRANGEMENTS RELATED TO THE NATIONAL SECURITY

(Memo for NSC from Executive Secretary, same subject, dated February 7, 1950; NSC Action No. 282)

In approving the proposal by the Acting Chairman, NSRB, in the reference memo, the NSC directed (NSC Action No. 282) the CIA, in collaboration with the Government agencies concerned, to organize and conduct a study of foreign economic intelligence requirements, facilities and arrangements related to the national security, and based on the finding of this study, to prepare for Council consideration and action a comprehensive plan for satisfying the foreign economic intelligence requirements of the national security and for a coordinated interagency effort to this end based on a definite allocation of responsibilities among the agencies concerned.

Interim reports by the CIA on September 8, October 4, and November 7, 1950, and January 9, February 1, March 7, and April 2, 1951, concerning the status of this project, indicate that a draft report to the Council, including a proposed NSCID on the subject, was submitted for IAC consideration on May 9. Awaiting report by CIA.

OTHER CURRENT COUNCIL PROJECTS (Cont'd)

A NATIONAL PETROLEUM PROGRAM
(NSC 97)

At the direction of the President, a letter from the Acting Secretary of Defense on the subject (NSC 97) was referred to the Director of Defense Mobilization to develop a national petroleum program leading to the complete supply of allied requirements, for consideration by the NSC. Awaiting report by the Director of Defense Mobilization.

UNITED STATES OBJECTIVES, POLICIES AND COURSES OF ACTION IN ASIA
(NSC Action No. 420-d)

Upon consideration of NSC 101/1, on "U. S. Action to Counter Chinese Communist Aggression", the Council requested the Department of State to prepare a study of the effect upon China and other Eastern countries of continued U. S. support of Chiang Kai-shek. (NSC Action No. 420-d). Awaiting State report.

NATIONAL PSYCHOLOGICAL WARFARE PLAN FOR GENERAL WAR
(Memo for NSC from Executive Secretary, same subject, dated May 8, 1951; NSC 59/1)

A report by the Interdepartmental Foreign Information Organization on the subject, prepared in accordance with NSC 59/1, was circulated by the reference memorandum for Council information and, at the request of the Department of State, the Secretary of Defense was requested to obtain the views of the JCS with respect thereto. Awaiting JCS views.

5. CANCELLED PROJECT

COLLABORATION WITH FRIENDLY GOVERNMENT ON EXCHANGE OF INFORMATION
CONCERNING OPERATIONS AGAINST GUERRILLAS

(NSC 90; Memos for Senior NSC Staff from Executive Secretary, same subject, dated March 12, and May 8, 1951; Memo for NSC from Executive Secretary, same subject, dated May 23, 1951)

NSC 90 was circulated for Council information and referred to the Senior NSC Staff for use in the preparation of a report. On October 30 the Senior State and JCS Members undertook to collaborate in the preparation of a draft paper covering both the political and military aspects of the problem; and the Senior CIA Member agreed to prepare an intelligence estimate on current and probable areas and characteristics of guerrilla warfare. Joint report by State, JCS and CIA, upon the recommendation of the Staff Assistants, was submitted by the reference memo of March 12 for the Senior Staff consideration. On March 15 the Senior Staff referred the report to representatives of the Senior State, JCS and CIA Members to revise in the light of the discussion. Report by State, JCS and CIA Members was circulated by the reference memo of May 8. On May 17 the Senior Staff agreed that the report should be referred to the Department of Defense for appropriate action along the lines indicated therein.

Accordingly, upon the recommendation of the Senior NSC Staff and with the concurrence of the Department of State, the draft report attached to the reference memorandum of May 8 was referred to the Secretary of Defense for such action as may be considered appropriate. This action was reported to the Council by the reference memorandum of May 23, together with copies of the draft report.

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